

BEFORE THE TENNESSEE REGULATORY AUTHORITY AT

NASHVILLE, TENNESSEE

JULY 2, 1999

IN RE:)	
CITIZENS TELECOMMUNICATIONS)	DOCKET NO. 98-00602
COMPANY TARIFF TO ADD A)	
PAYPHONE SURCHARGE)	

ORDER DENYING TARIFF

This matter came before the Tennessee Regulatory Authority ("the Authority") at the regularly scheduled Authority Conference held on September 15, 1998, for consideration of Citizens Telecommunications Company ("Citizens") Tariff to Add a Payphone Surcharge. The Tariff was originally filed with the Authority on September 1, 1998, with the proposed effective date of September 28, 1998, for the purpose of applying a \$.30 surcharge on all calls originating from payphones, including those presubscribed to Citizens, for Calling Card calls and 800 calls.

After consideration of the record in this matter, the Directors unanimously denied the Tariff, finding that the \$.30 surcharge proposed by this Tariff exceeds the amount of FCC mandated compensation of \$.284¹ and is inconsistent with a previous Authority ruling. In the Order issued on February 23, 1998 in docket No. 97-01281, the Authority ruled that: "Rule 1220-4-2-.55 only permits IXC's to pass on to consumers the compensation surcharge


¹ On January 28, 1999, the FCC decreased such mandated compensation to \$.24; CC Docket 96-128, para.228.

mandated by the FCC. The rule does not permit administrative expenses or other expenses associated with this surcharge to be passed on to consumers." Citizens proposed surcharge of \$.30 per payphone call would clearly violate this order.

IT IS THEREFORE ORDERED THAT THE TARIFF BE DENIED.



Melvin J. Malone, Chairman




H. Lynn Greer, Jr., Director



Sara Kyle, Director

ATTEST:



K. David Waddell, Executive Secretary